

MEMORANDUM FOR: Director of Central Intelligence

**SUBJECT : Possible Approach to Improved Coordination
and Management of the Intelligence Community
Through Programs Evaluation**

1. DCI Actions:

a. Establish a Foreign Intelligence Programs Evaluation Staff (FIPES) as an integral part of the Office of the DCI.

b. Appoint an Assistant to the DCI for Programs Evaluation as Staff Director.

Note: The order creating the Staff should preferably be endorsed by the Secretaries of State and Defense.

2. Size and Composition of Staff:

Five or six officers of proved competence and reasonable (but not too great) seniority; each officer should have no less than ten years experience in intelligence and within the group there should be at least one officer who has served for that length of time, or more, on intelligence work in one of the Military Services, another with the State Department and another with the CIA.

It is essential that all officers serving on the FIPES be employed directly by the DCI on a permanent assignment (the highest potential for objectivity would be obtained if all or at least a majority of the officers would be in a position to go from this job to retirement). Definitely they should not in any way be considered as "representatives" of their parent organizations.

SECRET

- 2 -

3. Staff Terms of Reference:

On behalf of the DCI, it shall be the duty of the Staff to review and evaluate the foreign intelligence activities of the departments and agencies of the Government which relate to the national security with a view to:

a. Identifying the intelligence objectives or requirements these activities are designed to meet and the resources committed to each activity;

b. Formulating recommendations for possible action by the DCI concerning:

(1) Possible areas of uncoordinated overlap or undesirable duplication as between two or more activities;

(2) Activities which appear to be inadequately staffed or funded;

(3) Activities which appear to merit modification, reduction or elimination on the grounds that they are not responsive to requirements or are otherwise marginal, obsolescent or non-productive.

4. Order of Business:

The DCI's order creating the Foreign Intelligence Program Evaluation Staff and appointing his Assistant for Programs Evaluation should state that it is issued in implementation of the President's letter of 16 January 1962 which states that "With the heads of the Departments and Agencies concerned you will maintain a continuing review of the programs and activities of all U. S. agencies engaged in foreign intelligence activities with a view to assuring efficiency and effectiveness and to avoiding undesirable duplication". The order

- 3 -

should be endorsed by the Secretaries of State and Defense, and should include the following in addition to the terms of reference

a. Identification of the major components and/or categories of activity to be involved, i.e., NSA, NRO, AFTR, NPIC, CIA, DIA, etc., and all pertinent foreign intelligence collection and production activities and the support activities related thereto.

b. Indicate that the staff is designed to support the DCI's legitimate interest in developing information concerning these activities that is essential to implementation of the President's order directing him to undertake the coordination and effective guidance of the total U. S. foreign intelligence effort.

c. Authorize the staff access to all information relevant to an evaluation of these activities including substantive performance, output and resources invested in order that the DCI can, as directed by the President, maintain a continuing review of the programs and activities of all U.S. agencies engaged in foreign intelligence activities with a view to assuring efficiency and effectiveness, and to avoiding undesirable duplication.

d. Indicate that initially it is intended that the staff will concern itself primarily with the development of a community-wide intelligence activity inventory to establish the totality of the U.S. foreign intelligence effort in terms of the types of activities performed, their objectives, and the money, manpower, and materiel resources invested; when completed this inventory will provide the basis for the development of a system to achieve community-wide program evaluation. This evaluation system would provide for bringing together the results of the existing systems for review and evaluation of individual components or activities such as the combined cryptologic programs, the NRO program, etc.

- 4 -

e. The staff would include as a part of its over-all evaluation, the consolidation and over-all review of the USIB Committee reports concerning their implementation of DCID 1/3 to meet the Priority National Intelligence Objectives.

5. DCI Authority

The DCI's authority for the proposed action is based:

a. On the President's letter of 16 January 1962 (Attachment A).

b. Various provisions from NSCID's (Attachment B).

It would also be responsive to pressures from the Congress, the President's Board and the Bureau of the Budget.



25X1

JOHN A. BROES
Comptroller

Attachments